



Office of the
Healthcare
Advocate
STATE OF CONNECTICUT

**Testimony of the Office of the Healthcare Advocate
Before the Insurance and Real Estate Committee
Re SB 370
March 10, 2016**

Good afternoon, Senator Crisco, Representative Megna, Senator Kelly, Representative Sampson, and members of the Insurance and Real Estate Committee. For the record, the Office of the Healthcare Advocate ("OHA") is an independent state agency with a three-fold mission: assuring consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

I appreciate the opportunity to comment on SB 370, An Act Concerning Healthcare Provider Lists and Authorizing Pregnancy as a Qualifying Event for Special Enrollment Periods. In recent years, the healthcare marketplace has become more dynamic than ever. Health care providers within the state have been trending toward consolidation, and movement of providers into and out of insurance carriers' provider networks is commonplace. In fact, changes to a provider's network status frequently occur in the middle of a plan year, outside of any open enrollment period. When a provider leaves a carrier's network in the middle of a plan year, it often leaves consumers with a difficult choice: either continue to see their preferred physician as an out-of-network provider, thereby incurring increased health care costs,¹ or select a new provider from within the

¹ Out of network services have a much higher cost share associated with them, in addition to the fact that

insurer's network.

Currently there is no remedy to prevent consumers from having to make such a decision when their provider leaves their plan's network. Moreover, consumers often do not discover changes to a provider's network status until after they receive care from their formerly in-network provider.

SB 370 would help consumers avoid unanticipated out-of-network charges by increasing the transparency of changes made to carriers' provider networks. Specifically, SB 370 would build upon improvements made under Public Act 15-146, which requires providers to update their directories monthly, by requiring carriers also to include in the directory specific information regarding each provider and his or her hospital affiliations.

When consumers are provided timely and accurate information regarding a plan's network, the adverse consequences of a provider's exit from the network can be minimized. In addition, the standards in this bill serve to promote equitable and transparent disclosure of one of the most critical elements in the plan selection process. Accurate listing of health plan networks is important not only for those already insured, but also for those seeking alternate coverage, so that consumers can make reasonably informed decisions concerning their healthcare choices based on transparent, accurate and intuitive information.

Given the landscape today with changing networks, transparency regarding a provider's network status is critical, and plans should be required to timely update consumers when they decide to offer their products or trim their networks.

Thank you very much for your commitment to this timely and important issue. If you have any questions concerning my testimony, please feel free to contact me at demian.fontanella@ct.gov.

consumers are liable for the full charges for these providers' services.